

RECORD COPY

NIE 71-55

29 November 1955

NATIONAL INTELLIGENCE ESTIMATE

NUMBER 71-55

(Supersedes NIE 71-54)

**PROBABLE DEVELOPMENTS
IN FRENCH NORTH AFRICA**

DOCUMENT NO. 1
NO CHANGE IN CLASS. I
☒ DECLASSIFIED
CLASS. CHANGED TO: TS S C
NEXT REVIEW DATE: _____
AUTH: HR 70-2

Submitted by the

DIRECTOR OF CENTRAL INTELLIGENCE

DATE: 6-11-81 REVIEWER: CC 9256

The following intelligence organizations participated in the preparation of this estimate: The Central Intelligence Agency and the intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and The Joint Staff.

Concurred in by the

INTELLIGENCE ADVISORY COMMITTEE

on 29 November 1955. Concurring were the Special Assistant, Intelligence, Department of State; the Assistant Chief of Staff, G-2, Department of the Army; the Director of Naval Intelligence; the Director of Intelligence, USAF; and the Deputy Director for Intelligence, The Joint Staff. The Atomic Energy Commission Representative to the IAC and the Assistant Director, Federal Bureau of Investigation, abstained, the subject being outside of their jurisdiction.

COPY NO. 323

SECRET

CENTRAL INTELLIGENCE AGENCY

DISSEMINATION NOTICE

1. This estimate was disseminated by the Central Intelligence Agency. This copy is for the information and use of the recipient indicated on the front cover and of persons under his jurisdiction on a need to know basis. Additional essential dissemination may be authorized by the following officials within their respective departments:

- a. Special Assistant to the Secretary for Intelligence, for the Department of State
- b. Assistant Chief of Staff, G-2, for the Department of the Army
- c. Director of Naval Intelligence, for the Department of the Navy
- d. Director of Intelligence, USAF, for the Department of the Air Force
- e. Deputy Director for Intelligence, Joint Staff, for the Joint Staff
- f. Director of Intelligence, AEC, for the Atomic Energy Commission
- g. Assistant Director, FBI, for the Federal Bureau of Investigation
- h. Assistant Director for Central Reference, CIA, for any other Department or Agency

2. This copy may be retained, or destroyed by burning in accordance with applicable security regulations, or returned to the Central Intelligence Agency by arrangement with the Office of Central Reference, CIA.

3. When an estimate is disseminated overseas, the overseas recipients may retain it for a period not in excess of one year. At the end of this period, the estimate should either be destroyed, returned to the forwarding agency, or permission should be requested of the forwarding agency to retain it in accordance with IAC-D-69/2, 22 June 1953.

WARNING

This material contains information affecting the National Defense of the United States within the meaning of the espionage laws, Title 18, USC, Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law.

DISTRIBUTION:

White House
National Security Council
Department of State
Department of Defense
Operations Coordinating Board
Atomic Energy Commission
Federal Bureau of Investigation

PROBABLE DEVELOPMENTS IN FRENCH NORTH AFRICA

THE PROBLEM

To estimate: the current strength and long-term development of local nationalism; French policies toward the nationalist problem; and consequent implications for US security.¹

CONCLUSIONS

1. Nationalist activity and sentiment are growing rapidly in the French protectorates of Tunisia and Morocco and even in Algeria, which is legally an integral part of metropolitan France. The dominant Tunisian nationalist group appears willing to accept for the present the French pledges of autonomy, and there will probably be at least a temporary respite from further widespread disorders in Tunisia, although sporadic incidents may recur. In Morocco, some temporary decrease in nationalist violence is also probable, if, as seems likely, the French advance concrete proposals in the direction of internal autonomy. (*Paras. 19, 54*)

2. Despite any short-term accommodations between the French and the Tunisian and Moroccan nationalists, nationalist opposition to remaining French controls will continue to grow. If France can devise and hold to a policy toward North Africa that is consonant with its own limited capacities and with the growth of nationalist sentiment, the drive

toward independence may be slowed down, take less rather than more violent forms, and permit the maintenance of certain French economic and strategic interests in the area. However, given the weakness of the French government and conflicting pressures in France, it is more likely that France's response to nationalist pressures will be cautious and hesitant and slow to accommodate itself to nationalist demands. Limited and gradual French reform programs in Tunisia and Morocco are unlikely to reduce tension for long. (*Paras. 45, 55*)

3. In Algeria, French efforts to suppress guerrilla activity and to pacify disaffected areas probably will have a substantial measure of success within the next year. However, the outlook over the longer term is for greater friction and violence. In view of France's fixed determination to remain in Algeria, this problem will likely in the long run prove the most difficult to resolve. (*Paras. 59-60*)

4. Thus the over-all outlook is for continuing instability in French North Africa. While we believe that the nationalists cannot oust the French by force

¹ This estimate supersedes NIE 71-54, "Probable Developments in North Africa," published 31 August 1954, except for the material on Libya, Spanish Morocco, and Tangier.

alone, increasing native resistance will probably create a serious drain on French financial and manpower resources over the next several years. Within the next five years, France almost certainly will either have to concede a substantial degree of independence to Tunisia and Morocco or resort to increasingly costly military repression. Either course would only delay the time when a combination of nationalist insurrection and domestic and external pressures will present France with problems insoluble short of granting complete legal independence. We believe that events in Algeria will move in the same direction, but at a slower pace. (*Paras. 66-67*)

5. The conflict between France and the North African nationalists may, in time, constitute a threat to the security of US bases in the area, particularly if the nationalist movements or important seg-

ments of them come under the control of terrorist leadership, or if they obtain substantial aid from the Communists. Pro-Soviet or anti-US trends elsewhere in the Arab World also will influence the attitude of the North African nationalists toward US bases. As long as nationalist leaders continue to hope for US support they will try to restrain their followers from attacks on the bases. However, some terrorists may undertake independent action, and, if the situation deteriorates, as now seems probable, sporadic demonstrations and raids against the bases will become increasingly likely. As Morocco moves toward independence it will demand both from France and from the US a greater participation in any decisions relating to base rights in the territory. It will almost certainly attempt to relate this question to US aid to Morocco. (*Para. 68*)

DISCUSSION

I. INTRODUCTION

6. A unique relationship exists between France and her North African territories of Algeria, Morocco, and Tunisia. The strategic value of North Africa, its proximity to France, its large and well-entrenched population of French descent (especially in Algeria), and the extensive French investments in the area make France regard it as vital to maintain a special position there. Moreover, French ties with North Africa are complicated not only by the different status of each of the three territories vis-a-vis France, but by their varying stages of social and political advancement. With the gradual loss of its position in the Levant and in Indochina, France has shown increasing concern over holding North Africa as the basis of its claim to be a world power. The collapse of French power in the Far East has reinforced the "Eurafrique" concept of

France's international power position, according to which the resources of France must be concentrated on strengthening its Europe-Africa power complex as the means of matching a resurgent Germany and of maintaining its position in the councils of the Western alliance.

7. Algeria is administered by a French Governor General and has been considered an integral part of France since the mid-19th century. However, the four political departments organized in northern Algeria comprise only a fraction of the country's territory; the vast southern areas remain under French military government. Theoretically, Algeria's population of over 9,000,000, including almost one million settlers of French descent (*colons*), is accorded French citizenship and political representation in Paris. However, Algeria's 30 seats in the French Assembly

constitute only about one-quarter of what it would be entitled to on the basis of population. Moreover, while all Algerian Moslems technically are French citizens, the electoral system and dishonest electoral practices have deprived the Moslem population of an effective political voice. France has made Algeria the most developed and Europeanized part of North Africa, but there has been little social or cultural assimilation of the native population, and a sharp differentiation exists between the European and Moslem communities. Since Algeria did not form a national entity prior to French conquest, there is no native dynasty to serve as a symbol of unity. The development of widespread nationalist sentiment has been slower than in neighboring states.

8. Tunisia is legally a sovereign state under the rule of the Bey of Tunis, but the protectorate treaty of 1881 and a modifying convention of 1883 gave France control of defense and foreign affairs and the right to propose internal reforms. In practice, the French Resident General (now called a High Commissioner) and the approximately 150,000 *colons*² have until recently almost totally controlled Tunisian political and economic affairs. However, the Tunisian Moslem population of some 3,000,000 is politically and culturally the most advanced in North Africa and has been allowed, since World War II, some participation in government by the French. As a result of effective nationalist organization and widespread violence, Tunisia recently has been granted a large degree of internal autonomy, to be administered by an all-Tunisian cabinet.

9. The French protectorate over Morocco dates from the treaty of Fez in 1912. France only succeeded in pacifying the entire country two decades ago. The French Resident General governs the protectorate through a separate administration which functions beside the Sultan's shadow government and exercises almost complete control. Morocco has far greater natural resources than Tunisia and

accordingly has attracted a large *colon* population of over 300,000 as well as substantial investments from France. The French have traditionally followed a policy of pitting the Berbers against the Arabs and have especially relied on the support of Berber chieftain el Glaoui, Pasha of Marrakech. However, the Moroccan native population of about 8,000,000 is slowly being welded into a single people particularly under the stimulus of nationalism, which has grown rapidly since World War II and has accelerated since the French deposed Sultan Sidi Mohammed ben Youssef in 1953.

10. French policies have varied in Algeria, Tunisia, and Morocco because of the differing French ties with these areas and their different stages of political development. France regards Algeria as the most important of its North African territories and provides a special regime for the area which combines formal integration with the metropole and the substantial preservation of local Moslem institutions. On the other hand, France has never denied the sovereign existence of the protectorates and, in theory, has governed them indirectly. The French continue to believe deeply and sincerely in their civilizing mission in the colonial territories, and they almost certainly do not contemplate abandonment of that mission.

II. CURRENT SITUATION AND PROBLEMS IN FRENCH NORTH AFRICA

11. Since World War II, the salient feature of the situation in French North Africa has been the growing upsurge of nationalist activity in Tunisia, Morocco, and most recently in Algeria. The conflict between the French and the local nationalists has entered a new and more violent phase. Nationalist attacks have required a major diversion of French military strength, have begun to tax French finances and morale, and have compelled France tardily to adjust its policies. The North African problem has become an increasingly divisive issue in French politics.

12. As a result of nationalist activities, France has been forced to double its armed strength

² Not including the Italian population of roughly 90,000.

S-1

4

in the area over the past few years in order to maintain its uneasy control. It now has in North Africa approximately 260,000 troops (about 40 percent of the French Army), 13,000 gendarmerie, and 200 combat-ready mission aircraft as well as substantial naval elements. However, this increased strength has not been attended by a corresponding firmness of control. Furthermore, while firm evidence is scanty, there have been indications of decreasing reliability on the part of the North African native troops who constitute somewhat less than a third of army strength in the area.

13. External support of the North African nationalist movements appears to be increasing and to be playing a significant role in their development. The chief source of this support has been the Arab states, whose sympathies with their Moslem brethren are reinforced by cultural, racial, and religious ties. Certain Arab-Asian states—notably Egypt, Saudi Arabia, Iraq, and Pakistan—provide limited funds and considerable propaganda and diplomatic support, together with some arms and military training. Spain's favorable attitude has also been of benefit to the Moroccan nationalists, and some arms have probably gone to them via Spanish Morocco.

14. Moreover, the international repercussions of the conflict in French North Africa have steadily widened. Arab-Asian pressures have repeatedly raised the issue in the UN. Both the French and the nationalists have tried to enlist the support of the US, and have generally refused to be satisfied with its middle-of-the-road policy toward the area. French relations with Spain and with the Arab World have deteriorated in a climate of mutual recrimination. Four years of strife in North Africa thus have already affected both the political and the military strength of the Western alliance, and have posed the threat of even greater setbacks to the cohesion and defense posture of the West. In addition, the US position on North Africa is likely to be increasingly taken by Africans and Asians as

an indication of the US attitude toward self-determination for these and other colonial areas.

The French Position in North Africa

15. French governments have been reluctant to make any concessions to the nationalists that would weaken France's control of its North African possessions. This reluctance has been reinforced by the pressure of many groups in both North Africa and France. There are approximately 1,400,000 *colons*, many of whom have made large investments of effort and money in the area. Members of the government colonial service have everything to lose from a return to the metropole, and many of them have shown a flagrant disregard of instructions which they believed contrary to their interests. The large majority of these two groups has urged maintenance of the status quo in North Africa. They have formed organizations such as the *Présence Française* to oppose any change in French policy, and to combat nationalist terrorism with equally violent measures.

16. Operating in Paris are potent pressure groups opposed to any change in the status quo. These comprise deputies from Algeria and right-wing political parties in the French Assembly, firms having economic and financial interests in North Africa, and rightist elements in the government. In addition, large numbers of high-ranking French army officers—many with extensive records of service in North Africa—are almost exclusively concerned with preserving France's position for reasons of strategy and national prestige. Some of these officers appear to have acted in opposition to French government instructions.

17. Despite such opposition, the mounting pressure of nationalist violence coupled with the French Indochina experience and a growing conviction of the futility of a policy of blind repression have contributed to a limited change of sentiment in France. This has been reflected among numerous elements in the French Assembly which have called for a change in the metropole's relationship to all its overseas territories.

SECRET

5

18. In response to this changed sentiment the French government has made various efforts to move forward in all three areas. In 1954 it modified its policy of several years standing by negotiating with nationalist leaders in Tunisia. Although Mendes-France fell before he could carry out his North African policy, he stimulated efforts to find an answer to the Moroccan problem. The French have also been negotiating with Moroccan nationalist leaders during the past several months. However, French efforts to solve the Tunisian and Moroccan problems probably also reflect the French need for a breathing spell in the protectorates in order to deal with Algeria. France is developing a modest reform program in Algeria, but it is based on the concept of integration with the metropole.

Nationalist Objectives and Activities

19. The growth of nationalist sentiment in French North Africa has accelerated sharply over the past several years. Among the indigenous populations, especially the small educated class and the urban proletariat, there has been a steady increase in political consciousness and sense of national identity, largely as a result of the continuing impact of Western political, social, and economic concepts and institutions, and the concomitant weakening of the conservative traditions and social institutions of Islam. Nationalism also has been encouraged by developments elsewhere in the world, especially in the Arab countries and in Indochina, and by the external sympathy and support it has received.

20. The ultimate objective of the large and well-organized nationalist parties in Tunisia and Morocco is complete political independence; that of the less advanced Algerian nationalist movement is not so clear, but the currently dominant nationalist group in that area also demands independence. In general, provided they receive a commitment of ultimate independence, most of the present leaders appear willing to undergo a period of necessary preparation, and to accept close diplomatic and economic ties with France in the post-independence period.

21. Over the last few years the growing frustration of nationalist groups has led them to turn increasingly to violence. Extremist groups have emerged and even the moderate leaders have shown greater willingness to countenance terrorism as a means of achieving their objectives in the absence of French readiness to compromise. This terrorism largely resulted from: (a) the inability of moderate nationalist leaders to win effective concessions from the French; (b) the arrest of many of these leaders, leaving the field clear for terrorist elements; (c) nationalist recognition of the effectiveness of violent tactics in North Africa and elsewhere as a means of forcing French concessions and of attracting international attention; and (d) the Moroccan reaction to Sultan ben Youssef's deposition.

22. The most disturbing aspect of terrorism to the French has been the appearance of guerrilla operations. The leadership of these guerrilla bands evidences considerable skill and training. Their size has not been accurately assessed as yet, but it probably is safe to assume that the chief limitation of guerrilla strength is a matter of arms rather than of manpower. There are increasing indications that weapons are being supplied primarily by the Arab League countries via Libya and Spanish Morocco. These supply lines to date appear to provide little more than a trickle of arms and equipment, probably as a result both of French security measures and of the sources' inability or unwillingness to undertake large-scale commitments.

23. Prior to the advent of the guerrillas, terrorism in the protectorates was concentrated mainly in the cities and was largely directed against pro-French natives. By mid-1954, however, terrorist activities in both Tunisia and Morocco had spread to rural areas with consequent widespread destruction of crops and property. At the same time, French nationals also became a target of terrorist attacks. The terrorists have had some success in sabotaging communications. In Morocco, they have recently begun making sporadic attacks on French police and military units, as they had in Tunisia. Moreover, many

SECRET

SECRET

6

tribes of the interior, whether Berber or Arab, have become increasingly identified with nationalist extremists.

24. Nationalists in Morocco and Tunisia have also succeeded to a considerable extent in enforcing boycotts against European or modern goods, dress, and methods of farming. It is possible that the adoption of even more extreme boycotts of this type could lead to religious fanaticism and indiscriminate hatred of the West.

25. Another important factor strengthening the nationalist movement is that traditional native leaders, hitherto a pillar of French rule, are beginning to waver in their allegiance. The native caids and pashas appointed by the French have been a pro-French and conservative force. These native officials are now beginning to reassess their position, due partly to the growing popularity of the nationalist cause, and partly to French failure to protect them from nationalist attacks.

26. *Tunisia.* Tunisia has been relatively tranquil since the return of nationalist leader Habib Bourguiba and ratification of the Franco-Tunisian conventions by the French parliament last summer. French acceptance of the conventions was due largely to: (a) the recognition, based on the Indochina losses, of a need to come to terms with the nationalist movement; (b) the strength of the principal Tunisian nationalist party, the Neo-Destour; (c) the smaller French and *colon* stake in Tunisia than in the other two areas; and (d) the French desire to settle the Tunisian problem in order to cope with Morocco and Algeria.

27. The Tunisian conventions reserve to France the fields of foreign affairs and external defense, but provide for a gradual relinquishment of French control over substantial areas of internal affairs. They terminate the "state of siege" and the French veto power over most Tunisian laws. However, they contain extensive provisions protecting the rights of France, the *colons*, French investors, and, to a much lesser extent, other non-Tunisians.

28. A Tunisian government has been installed which will probably provide for creation of a

constituent assembly, drafting of a constitution, and election of an all-Tunisian legislature. The moderate Neo-Destour leadership, which is represented in the government, is committed at present to work toward its goals within the framework of the conventions. However, the small Old Destour Party and the followers of extremist leader Salah ben Youssef,³ who has been expelled from the Neo-Destour, strongly oppose the Tunisian accords. They object that Tunisian aspirations have not been sufficiently realized, and that no specific provision has been made for a future grant of independence.

29. *Morocco.* Nationalist strength and capabilities for violent action in French Morocco have greatly increased since France deposed the popular, pronationalist Sultan ben Youssef in mid-1953, and installed as his successor the ineffectual ben Arafa. The dominant nationalist party, the Istiqlal, seized upon the cause of ben Youssef as the rallying point for nationalist opposition, and has probably gained the support of the great majority of Moroccans over the past two years. The nationalist movement, formerly largely urban, has been extended to rural areas and now includes substantial Berber support. In fact, the violent actions which have most severely strained French capabilities for control have taken place in Berber territories of the interior. Some of the tribal marauding is probably simple banditry but much of it appears to be motivated by nationalist sentiments, and the Istiqlal appears to exercise a considerable degree of direction over the course of violence in the entire country.

30. France has had to cope not only with a growing terrorist campaign, but with a powerful *colon* element intent upon making it impossible for any Paris government to offer internal autonomy to the Moroccans. When the Faure government decided in the summer of 1955 to depose ben Arafa and replace him with a Throne Council, its imprecise compromise plan provoked a violent *colon* reaction. The right-wing parties in Paris and the

³ Not to be confused with Sultan ben Youssef of Morocco.

SECRET

SECRET

7

colons bitterly opposed the deposition of ben Arafa and his replacement by a Throne Council and did their utmost to frustrate the government program, believing it to be the first step leading to Moroccan independence.

31. Although the French Assembly after repeated delays finally accepted the Faure plan, the program is already obsolete. In October 1955 increasing Moroccan demand for the return of Sultan ben Youssef caused el Glaoui, the Pasha of Marrakech, to reverse his position after consultation with Istiqlal leaders. His declaration in favor of returning ben Youssef to the throne was a shock to the French. Since a main element of the French case for ben Youssef's deposition was founded on Glaoui's inveterate opposition to the former Sultan, the pasha's reversal of position induced the French to move more rapidly in returning ben Youssef to the throne. The subsequent abdication of ben Arafa in favor of ben Youssef cleared away the last concrete obstacle to the Sultan's return. The French have reinstated the Sultan and have officially announced their intention of leading Morocco to the status of "independence within the framework of interdependence." However, it is already apparent that in this conveniently vague formula, the Moroccan nationalists emphasize the concept of "independence" while the French place the principal stress on "interdependence."

32. *Algeria.* In Algeria, relatively quiet since 1945, widespread violence erupted in November 1954. This outbreak, which caught the French completely by surprise, subsequently centered in the Constantine area. Prior to 1954 the weak Algerian nationalist movement had consisted of two main elements: a small moderate group, the Democratic Union of the Algerian Manifesto (UDMA), favoring gradual evolution within the French Union; and a badly divided extremist faction, the Movement for the Triumph of Democratic Liberties (MTLD), advocating violent action to achieve independence. The shift to guerrilla tactics was initiated by the extremist Revolutionary Committee for Unity of Action (CRUA), which was virtually unknown at the time. Few de-

tails of its strength and organization have as yet been revealed.

33. Almost a year of persistent terrorist activity has forced the Algerian moderates into apparent isolation and the radicals into a regrouping in which the CRUA seems to play a preponderant role. This committee directs an almost exclusively military operation through organizations which it has named the "National Liberation Army" and the "National Liberation Front"; apparently these amount to little more than a dual designation for the rebellion. Although it was for a time suspected that the first appearance of the guerrillas in close proximity to the Tunisian border meant that the Algerian outbreak was not indigenous, present evidence indicates that the guerrilla leaders are Algerians drawn largely from the MTLD extremists.

34. In contrast to Tunisia and Morocco, there is as yet no single coherent nationalist party with mass support from the population in Algeria. Terrorism is carried on by armed bands operating chiefly in the Department of Constantine.

35. Despite considerable discussion in Paris regarding a new type of "federal" association between the metropole and its Algerian territory, the French government has so far clung to its policy of integrating the area into France. The government's proposed remedial measures for Algeria, the "Soustelle Plan," are chiefly in the economic sphere with special emphasis on agriculture; their political provisions do not advance much beyond those currently in effect.

36. *Coordination of nationalist activities.* Despite continuing political and personal differences between nationalist leaders, coordination of nationalist activities in the three territories has improved markedly during the past two years. Prior to 1954, cooperation among the nationalist movements in French North Africa was largely confined to sympathy strikes and "days of mourning" designed to show Moslem solidarity. Early in 1954, however, the Committee for the Liberation of North Africa was reorganized in Cairo under Arab League sponsorship. The Cairo com-

SECRET

SECRET

8

mittee apparently plays a considerable role in coordinating activities in French North Africa. There are subsidiary offices of the North African liberation committee and of individual nationalist parties in Paris, New York, and various parts of the Near East and South Asia. The desire for concerted action in the UN continues to promote greater cooperation among the nationalist movements.

Communist Influence

37. Thus far the small North African Communist parties⁴ have had very little influence on the nationalist movements. These parties, which are outlawed in Algeria and French Morocco, continue to maintain close liaison with, and are directed and partially financed by, the French Communist Party. The Communist aim since 1946 has been the formation of a united front with the nationalists, and the French have consistently tried to depict the nationalists as being Communist dupes. However, with the exception of a limited temporary alliance in Algeria during 1951-1952, the known nationalist leaders have consistently refused to accept any working relationship, largely because: (a) they realize that such ties would alienate many sympathizers in non-Communist countries; (b) the local Communist parties are known to be subject to the control of French Communists; and (c) nationalist financial support in Morocco and Tunisia comes chiefly from the anti-Communist well-to-do commercial classes.

38. There is no reliable evidence that the Communists have thus far organized or joined in terrorist activities in Morocco and Tunisia. In Algeria, a few Communists reportedly took part in the fighting on one occasion, but it is unlikely that the party intends to commit its small hard core to open warfare as long as French controls appear strong.

39. Direct Soviet activity in North Africa remains limited; the USSR has never claimed its seat in the Committee of Control at Tan-

⁴The Communist parties are estimated to have about 7,500 members in Algeria, and a few hundred in Tunisia and in French Morocco; the membership is largely European.

gier, and it abandoned its consulate in Algeria in 1951. However, although Radio Moscow still gives little attention to North Africa, Communist interest in the area is indicated by the inauguration in 1954 of a quasi-clandestine radio station which transmits in Arabic to North Africa via Budapest. Although it recently suspended its propaganda activities, this station has given more attention and support to nationalist movements than has the official Soviet radio.

Economic Problems

40. The generally unfavorable economic situation and prospects of French North Africa contribute to instability in the area. The predominantly agricultural economies of French North Africa are relatively poor and underdeveloped, and the area's developed resources are only of marginal importance except to France. The chief minerals—phosphates, iron ore, manganese, lead, and zinc—constitute a relatively small portion of Free World supplies except in the case of phosphates. However, the area provides much of France's supply of manganese. About 10 percent of French imports (mainly wines, cereals, vegetables, vegetable oils, and minerals) come from North Africa, while about 20 percent of French exports go to that area. France provides about 70 percent of North Africa's imports and receives about 60 percent of its exports. French North Africa's postwar budgetary and trade deficits place a continuing burden on France.

41. The French own and cultivate by modern methods roughly one-quarter of the arable land. Much of the most productive land, however, is devoted to production of crops which can be exported only under heavy subsidy. In any case, a large portion of North Africa's cultivable area is of poor quality and subject to chronic drought; under present methods of use it is not sufficient to meet the needs of North Africa's increasing population.

42. Industrial development in North Africa is limited by the severe shortage of fuel resources and investment capital, by low native purchasing power, and by the low productivity

SECRET

S E C R E T

9

and lack of skill of the workers. Moreover, both public and private investment funds have been devoted to ambitious projects which will have to be subsidized in order to fulfill their long-range promise. The growth of secondary industries has been seriously hampered by high production costs and by the competition of foreign products on both local and external markets. Urban industrial growth has created an uprooted working class which undergoes chronic unemployment because of unstable prices and an oversupply of labor.

43. Both political and economic pressures for more rapid development are steadily mounting, even though the French have been contributing larger amounts of public investment funds in the postwar period. The first French development plan emphasizing large-scale public works projects is being followed by another emphasizing native agriculture and social improvements. The new program, estimated to cost \$1.6 billion, of which more than one-half will be furnished by the metropole, represents almost 10 percent of the public investment program for France and its overseas possessions. The benefits of past programs have largely gone to the *colons*, and the new emphasis probably has come too late to enlist the sympathy and cooperation of the native population, whose discontent stems not only from poverty but also from political and social inequalities. Thus far the development programs have failed to improve the level of income of natives in agriculture.

44. Current political and economic difficulties have heightened the unfavorable economic prospects for French North Africa. Nationalist activities have forced Morocco to abandon contributions to the development budget and to become increasingly dependent upon funds from the metropole to relieve the serious financial situation. In Tunisia, the drought of the past two years has resulted in near-starvation for the rural southern areas. In urban areas, the absence of new imports of private capital, the failure of marginal business firms, and the lack of European business confidence in future political developments

have contributed to economic decline. These conditions have required further French contributions to cover Tunisian budget deficits. In Algeria, economic sabotage so far has not been of serious proportions. However, the present uncertainty is causing the postponement of capital investment, an increase in capital flight, and efforts by some *colons* to sell their farms at sacrifice prices.

III. THE OUTLOOK IN FRENCH NORTH AFRICA

Probable French Policies

45. French policy during the next few years will greatly influence the rapidity and the amount of violence with which North Africa moves toward independence, as well as the type of relationship finally established between France and the several areas concerned once they have become independent. If France can devise and hold to a policy toward North Africa that is consonant with its own limited capacities and with the growth of nationalist sentiment, the drive toward independence may be slowed down, take less rather than more violent forms, and permit the maintenance of certain French economic and strategic interests in the area. If an evolution of this sort should take place, it is possible that the North Africans might accept some sort of freely negotiated status within an altered French Union. However, given the weakness of the French government and conflicting pressures in France, it is more likely that France's response to nationalist pressures will be cautious and hesitant and slow to accommodate itself to nationalist demands.

46. The French will continue and probably increase their present level of financial aid to the North African territories in order to relieve nationalist pressure. However, this will not deter nationalist attacks on the privileged position of the French *colon* or investors. There will be continued nationalist demands to remove subsidies which favor the French sector of the economy, to revise the regressive tax system, to redistribute land holdings, and to obtain increased native and government participation in the ownership and control of

S E C R E T

~~SECRET~~

10

French enterprises. French public aid programs will encounter difficulties because the native demands for improved levels of living will be greater than the amount of investment that the economy can absorb or that France would be willing or able to provide. In these circumstances it is likely that North African native governments would look to the US for economic aid.

47. *Policies toward Tunisia and Morocco.* France will probably proceed toward full implementation of the Franco-Tunisian conventions. Delays will occur in carrying out various provisions; the French may place a strict construction on some of them; and disagreements over interpretation can be anticipated. However, the moderate element led by Bourguiba appears to have the support of most nationalist groups, and we believe that the Franco-Tunisian accords are not likely to be upset by any widespread renewal of terrorist activities in the immediate future. Moreover, we believe that France will concede to Tunisia the principle of ultimate "independence within the framework of interdependence." Under nationalist pressure, France may concede some adjustments in the phasing out of certain French controls and accept mixed rather than exclusively French controls over certain currently reserved areas of authority.

48. In contrast, French policy toward Morocco is in a state of flux. The opposition of el Glaoui, of the Paris government, and of the reactionary *colon* organizations to the restoration of Sultan ben Youssef has dramatically collapsed. The French have already made some concessions to the nationalists and are in the process of making more. However, major differences are certain to arise over interpretation of the formula of "independence within the framework of interdependence." The French government will face numerous obstacles in working out the specifics of a program of concessions; rightist opposition is still powerful both in Morocco and in Paris, and nationalist demands may go beyond what any French government could concede.

49. In the forthcoming negotiations, France will probably offer Morocco a measure of autonomy. However, because of the size of French investment and the number of *colons* in Morocco, France will insist on including a substantial number of French advisors in any new Moroccan administration, and on protecting the rights of the *colons*. In particular, the French will try to secure larger political participation for the *colons* than was granted their Tunisian counterparts. The French probably will further seek arrangements for maintaining Moroccan troops in the French Army, although these troops may become increasingly unreliable for use in North Africa. Over the next few years the French will probably make additional concessions to nationalist pressure within the framework of the above program so long as France retains control of Morocco's foreign policy and defense and at least a measure of control over internal security, financial, and budgetary measures.

50. Even with an agreed policy, implementation will be difficult. Though French officials in Morocco will for a time grudgingly increase their degree of compliance as Paris moves ahead, they will probably continue to impede the government's instructions. Moreover, though Sultan ben Youssef enjoys great personal popularity, nationalist leadership is less certain, competent, and effective than in Tunisia, and may seek to solidify or enlarge its following by taking intransigent attitudes.

51. On the other hand, the French will attempt to prevent outright rebellion. Pressed by *colon* and rightist political elements, any French government will move to repress terrorist activities with great vigor.

52. Over the longer term, France will continue efforts to establish permanent relationships with Tunisia and Morocco to replace the protectorate status. While France officially is preparing these areas for self-rule, the French conceive this as being the realization of a Franco-North African community of interdependent states. Under such a policy of "interdependence" the two North African states would administer their own internal affairs

~~SECRET~~

~~SECRET~~

11

but France would retain basic control over foreign policy and defense. We believe that French policy will evolve in this direction unless the nationalists refuse to settle for anything short of complete independence and resort to open and widespread violence. In this circumstance, any foreseeable French government would make every effort to break the nationalist movement. Only if the French became convinced France was engaged in a colonial conflict which it could not win, would they contemplate granting unconditional independence to Tunisia and Morocco.

53. *Policy toward Algeria.* There are already signs that the French realize that the relationship of Algeria with France postulated in the 1947 statute is no longer feasible, and will have to be revised within a relatively short period. The most likely direction of such a change would be toward the concept of limited "federation." Such a policy probably would provide for some freedom from direct Paris control and for a larger Moslem stake in local government. However, it is probable that even this limited change in policy would take several years to develop and gain acceptance in France. France will maintain sovereignty over Algeria and will insure that political concessions do not subject the large European population to the rule of the Moslem majority.

Probable Trends in the Nationalist Movements

54. *Tunisia and Morocco.* The dominant faction in the Tunisian Neo-Destour party appears willing to accept for the present the French pledges of autonomy, and there will probably be at least a temporary respite from further disorders in Tunisia, although sporadic incidents may recur. In Morocco, some temporary decrease in nationalist violence is also probable, if, as seems likely, the French advance concrete proposals in the direction of internal autonomy. However, both Sultan ben Youssef and the nationalist leaders will have some incentive to continue pressures on the French, and it is likely that they will have no more than partial control over extremist elements. Accordingly, some terrorist activities will probably continue.

55. Despite any temporary accommodations between the French and the Tunisian and Moroccan nationalists, we consider it almost certain that nationalist opposition to remaining French controls will grow. Periods of relative quiet will continue to occur as French concessions allow greater native participation in local administration, but nationalist desires and capabilities for greater self-government will almost certainly increase. Limited and gradual French reform programs in Morocco, as well as the new conventions in Tunisia, are unlikely to reduce tension for long or to keep pace with increasing nationalist demands.

56. Continued moderate leadership of the nationalist movements in Tunisia and Morocco will depend upon timely French concessions. The very success of recent terrorist tactics will continue to present a constant temptation to the nationalists to revert to violence. Resort to terrorism is likely in Morocco if moderate nationalist leaders are unable through negotiations to make progress toward ultimate independence.

57. There is also likely to be renewed violence in Tunisia unless the French give a broad interpretation to local self-government under the conventions, permit further progress toward independence, and give urgent attention to Tunisia's economic difficulties. Moreover, should the Moroccans obtain any major concession not included in the Tunisian conventions, France probably would be confronted with another critical situation unless Tunisia were given assurances of at least equal benefits.

58. If, as is likely, the deterioration in French and nationalist relations continues, the moderate Moroccan and Tunisian leaders probably will in time either be forced to join the terrorists in further periodic sabotage and violence or to relinquish their leadership. However, as long as French military capabilities are not seriously reduced, we believe that the nationalists will not gain sufficient military strength either in Tunisia or Morocco to be able to oust the French by force.

~~SECRET~~

59. *Nationalism in Algeria.* Despite the present high level of terrorist activities, the growth of organized nationalism in Algeria will probably continue to lag behind that in adjacent areas. It will be inhibited by the absence of a widespread sense of national identity and of a strong single party with a realistic program for creating a new relationship with France. The objectives of the extremists currently leading the nationalist movement probably are too unrealistic to engender wide and sustained support among the Moslem population in the near future. French efforts to suppress guerrilla activity and to pacify disaffected areas probably will have a substantial measure of success within the next year.

60. The outlook over the longer term is for greater friction and violence between the French and an increasingly nationalist Moslem community. Nationalist sentiment will be stimulated by developments in the protectorates and by the privileged status of the roughly one million Europeans in Algeria. In view of the probable rigidity of France's policy, stemming from its fixed determination to remain in Algeria, the conflict between the French and the nationalists in Algeria is likely in the long run to prove the most difficult North African problem to resolve.

Trends in Communist Influence

61. Continued efforts by the Communists to capture the nationalist movements are unlikely to succeed in the short run. However, the Communists will continue to try to win the confidence of nationalist sympathizers both in North Africa and among the Algerian workers in France through various propaganda gestures and limited financial assistance. Communist-nationalist collaboration may eventually increase in North Africa, particularly if France again adopts repressive policies and extremists gain control of the nationalist parties. The nationalists would probably accept such collaboration, but would do so in order to further their own aims and not because of any basic sympathy for Communist doctrine. While individual Communists may independently join in terrorist activities, the Communist parties as such will probably not

do so while terrorism remains the tactic of only part of the nationalist movements. However, should the main body of nationalists come to accept the strategy of constant violent action, the Communist parties might even come to be accepted as associates. In that event, Communist capabilities for sabotage would be increased and opposition to the presence of Western troops and bases in the area would be strengthened.

62. Soviet actions with respect to French North Africa will probably be inhibited by concern for the position of the French Communist Party. However, the recent intervention of the USSR in Middle Eastern affairs and its forthcoming establishment of diplomatic relations with Libya may be a prelude to greater Soviet interest in French North Africa. Moreover, recent Soviet offers of assistance in the Middle East in time may tempt the North African nationalists to increase their contacts with the Bloc, at least to the extent necessary to obtain arms.

International Pressures and Implications

63. The Arab and Asian states, probably supported to an increasing extent by the USSR, will almost certainly increase even further their efforts to obtain favorable UN action on North African questions. Within their present limited capabilities, the Arab states will probably continue to help nationalist exiles, provide increasing financial aid, and assist in smuggling arms. Both the North African nationalists and the Moslem countries will increase their efforts to secure some form of US action which can be construed as support for the nationalists.

64. It will probably become increasingly difficult, particularly if North African disorders continue, for the UN to withstand Arab-Asian pressures for concrete UN recommendations on the area. France probably will not retreat from its basic position that UN consideration of the Algerian problem is an unwarranted interference in French domestic affairs. It probably will ignore or reject any UN recommendations though it will attempt to forestall them through reforms.

~~SECRET~~

13

65. The continuing conflict between the French and nationalists in North Africa will have further important international repercussions. The efforts of both sides to secure US support confront the US with the prospect of strained relations with many nations in the Free World. Differences over North African issues are likely to become a source of increasingly serious friction among the non-Communist countries. Spanish-French frictions will persist. Moreover, North African developments will have a substantial effect on Arab and Asian attitudes toward the West. Many Latin American countries are also anti-colonial in outlook, and some will continue to give diplomatic support to the North African nationalists.

The Over-all Outlook in the Area

66. The outlook is for continuing instability in French North Africa, characterized by sporadic crises and disturbances created by growing nationalist opposition to French control. While we believe that the nationalists cannot oust the French by force alone, increasing native resistance will probably create a serious drain on French financial and manpower resources over the next several years. Eventually such resistance will strain the determination of the French to maintain their dominant position. Moreover, the reliability of French North African troops probably will further decrease under the stimulus of nationalism, reducing the value of this major French military asset.

67. Within the next five years France almost certainly will either have to concede a sub-

stantial degree of independence to Tunisia and Morocco or resort to increasingly costly military repression which would virtually negate the French NATO contribution to European defense. Either course would only delay the time when a combination of nationalist insurrection and domestic and external pressures will present France with problems insoluble short of granting complete legal independence. We believe that events in Algeria will move in the same direction, but at a slower pace.

68. The conflict between France and the North African nationalists may, in time, constitute a threat to the security of US bases in the area, particularly if the nationalist movements or important segments of them come under the control of terrorist leadership, or if they obtain substantial aid from the Communists. Pro-Soviet or anti-US trends elsewhere in the Arab World also will influence the attitude of the North African nationalists toward US bases. As long as nationalist leaders continue to hope for US support they will try to restrain their followers from attacks on the bases. However, some terrorists may undertake independent action, and, if the situation deteriorates, as now seems probable, sporadic demonstrations and raids against the bases will become increasingly likely. As Morocco moves toward independence it will demand both from France and from the US a greater participation in any decisions relating to base rights in the territory. It will almost certainly attempt to relate this question to US aid to Morocco.

~~SECRET~~

~~SECRET~~

SECRET

~~SECRET~~